CORRECTING WITHHOLDING INFORMATION WITHIN VOUCHER

Agencies may find that the available vendor locations are not set up perfectly for your vendor payment. You still have several choices available to you to correct the reporting before you approve that voucher for payment.

1. The easiest way to remove withholding for a non-reportable payment on a reportable vendor (remember, there's a difference!) is to simply go into the blue withholding link and remove **both** checkmarks. See example here: example 1 .

2. Payments for repairs often contain non reportable items like parts and reportable services such as labor. If you are using different account numbers to split the distribution, use two invoice lines rather than two distribution lines. Multiple invoice lines can have 1099 information reported differently under the withholding voucher page. See screen shot: example 2 .

3. When you need to pay a vendor under the withholding class of 03, Other Income, you will need to make sure this class is available for this vendor by looking on the withholding page. By clicking on the magnifying glass for the Withholding **Class**, and not the Withholding Code, you can see which 1099 classes have been set up by Vendor Registry. If 03 is available under the **Withholding Class**, just select it and continue on with your voucher. If 03 (or another class you need) does not show up on this line, contact Vendor Registry to add it. Please see example: example 3 .

    This is a good place to discuss withholding defaults. Vendors that are 1099 reportable must be set up with a default withholding code that will automatically fill in on a voucher unless the agency manually removes or changes it. This does not mean that a vendor cannot have more than one withholding class set up, as discussed above. But only one class can be designated as a default, and that code will usually be 07 for Non Employee Compensation. The only exceptions will be on locations set up specifically for one agency's use, such as "PLI" by Game and Fish. That is why it is so important that agencies choose the proper locations for their payments. Using a location set up specifically for VR, PLI, BIDS, 1099-G, etc. can create a big 1099 reporting mess. Please read the descriptions on vendor locations and addresses!

4. Finally, if your payment involves both reportable and non-reportable items, but everything is lumped under one account, there is still a way you can adjust the withholding. In this case, the withholding link should show up. Rather than removing the checkmarks from the entire voucher, use the "Override Amount" to enter the dollar amount that **should** be reported. The amount entered here will "override" the voucher amount on the 1099 reporting table. See the following example: example 4 .

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